

# **Exhibit A**

**DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT**

BY: ☐ COMPLAINT ☐ INFORMATION ☒ INDICTMENT  
☐ SUPERSEDING

**OFFENSE CHARGED**

15 U.S.C. Section 1 -- Conspiracy in Restraint of Trade  
 Counts One and Two

☐ Petty  
☐ Minor  
☐ Misdemeanor  
☒ Felony

PENALTY: See attachment

Name of District Court, and/or Judge/Magistrate Location

NORTHERN DISTRICT OF CALIFORNIA

**DEFENDANT - U.S.**

CHENG YUAN LIN, aka C.Y. LIN

DISTRICT COURT NUMBER

**PROCEEDING**

Name of Complainant Agency, or Person (& Title, if any)

FEDERAL BUREAU OF INVESTIGATION

☐ person is awaiting trial in another Federal or State Court, give name of court

☐ this person/proceeding is transferred from another district per (circle one) FRCrp 20, 21, or 40. Show District

☐ this is a reprosecution of charges previously dismissed which were dismissed on motion of:

☐ U.S. ATTORNEY ☐ DEFENSE

SHOW  
DOCKET NO.

☐ this prosecution relates to a pending case involving this same defendant

MAGISTRATE  
CASE NO.

☐ prior proceedings or appearance(s) before U.S. Magistrate regarding this defendant were recorded under

Name and Office of Person  
 Furnishing Information on this form JOSEPH P. RUSSONIELLO

☒ U.S. Attorney ☐ Other U.S. Agency

Name of Assistant U.S.  
 Attorney (if assigned) Lida Maher, Trial Attorney, ATD

**IS NOT IN CUSTODY**

Has not been arrested, pending outcome this proceeding.

1) ☒ If not detained give date any prior summons was served on above charges

2) ☐ Is a Fugitive

3) ☐ Is on Bail or Release from (show District)

**IS IN CUSTODY**

4) ☐ On this charge

5) ☐ On another conviction

☐ Federal ☐ State

6) ☐ Awaiting trial on other charges

If answer to (6) is "Yes", show name of institution

Has detainer been filed? ☐ Yes ☐ No

If "Yes" give date filed

DATE OF  
ARREST

Month/Day/Year

Or... if Arresting Agency & Warrant were not

DATE TRANSFERRED  
TO U.S. CUSTODY

Month/Day/Year

☐ This report amends AO 257 previously submitted

**ADDITIONAL INFORMATION OR COMMENTS****PROCESS:**

☐ SUMMONS ☐ NO PROCESS\* ☒ WARRANT

Bail Amount: \_\_\_\_\_

If Summons, complete following:

☐ Arraignment ☐ Initial Appearance

\* Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

Defendant Address: Zen-ai Road, 3rd Section,  
 Lane 5 / Alley, 1, Number 2 /  
 Taipei, Taiwan

Date/Time: \_\_\_\_\_ Before Judge: \_\_\_\_\_

Comments:

PENALTY SHEET

Indivision: CHENG YUAN LIN, aka C. Y. LIN

COUNT ONE: 15 U.S.C. 1 (Conspiracy in Restrain of Trade)

Maximum Penalties:

1. A fine in an amount equal to the largest of:
  - A. \$1,000,000.00
  - B. Twice the gross pecuniary gain derived from the crime.
  - C. Twice the gross pecuniary loss caused to the victims of the crime.
2. A term of imprisonment for ten years.
3. A term of probation of at least one year but not more than five years.
4. \$100 special assessment.
5. Restitution.

COUNT TWO: 15 U.S.C. 1 (Conspiracy in Restraint of Trade)

Maximum Penalties:

1. A fine in an amount equal to the largest of:
  - A. \$1,000,000.00
  - B. Twice the gross pecuniary gain derived from the crime.
  - C. Twice the gross pecuniary loss caused to the victims of the crime.
2. A term of imprisonment for ten years.
3. A term of probation of at least one year but not more than five years.
4. \$100 special assessment.
5. Restitution.

FILED  
09 FEB 10 PM 3:30  
RICHARD J. ELLERBECK  
CLERK, U.S. DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
WHA

CR 09

0131

**United States District Court**  
FOR THE  
NORTHERN DISTRICT OF CALIFORNIA  
VENUE: SAN FRANCISCO

FILED  
09 FEB 10 PM 3:39  
RICHARD P.  
CLERK, U.S. DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

**WHA**

**0131**

**CR 09**

UNITED STATES OF AMERICA,  
V.

CHENG YUAN LIN, aka C.Y. LIN

DEFENDANT(S).

**INDICTMENT**

Title 15 U.S.C. Section 1 (Conspiracy in Restraint of Trade)  
COUNTS ONE and TWO

A true bill.

*Amgehel Almeraz*  
Foreman

Filed in open court this 10<sup>th</sup> day of

*February*, 2009 BRENDA TOLBERT  
Clerk

**NO BAIL ARREST WARRANT**

MARIA ELENA JAMES  
UNITED STATES MAGISTRATE JUDGE

LIDIA MAHER (CSBN 222253)  
BARBARA J. NELSON (CSBN 87952)  
JEANE M. HAMILTON (CSBN 157834)  
ANNA TRYON PLETCHER (CSBN 239730)  
MAY LEE HEYE (CSBN 209366)  
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Attorneys for the United States

UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION

WHA

UNITED STATES OF AMERICA

v.

CHENG YUAN LIN, a.k.a. C.Y. LIN,

Defendant.

No. **CR 09**  
**INDICTMENT**

**0131**

VIOLATIONS:  
Title 15, United States Code,  
Section 1 (Conspiracy in Restraint of Trade)

San Francisco Venue

The Grand Jury charges:

COUNT ONE: 15 U.S.C. § 1 (Conspiracy in Restraint of Trade)

I.

DESCRIPTION OF THE OFFENSE

1. CHENG YUAN LIN, a.k.a. C.Y. LIN, is hereby indicted and made a defendant on the charge stated below.

2. Beginning at least as early as January 28, 1997, until at least as late as April 7, 2003, the exact dates being unknown to the Grand Jury, the defendant CHENG YUAN LIN and coconspirators joined, entered into, and engaged in a combination and conspiracy to suppress and eliminate competition by fixing prices, reducing output, and allocating market shares of color display tubes ("CDTs") to be sold in the United States and elsewhere. The combination and

INDICTMENT – PAGE 1

1 conspiracy engaged in by the defendant and coconspirators was in unreasonable restraint of  
2 interstate and foreign trade and commerce in violation of Section 1 of the Sherman Act (15  
3 U.S.C. § 1).

4 3. The charged combination and conspiracy consisted of a continuing agreement,  
5 understanding, and concert of action among the defendant and coconspirators, the substantial  
6 terms of which were to agree to fix prices, reduce output, and allocate market shares of CDTs to  
7 be sold in the United States and elsewhere for use in computer monitors and other products with  
8 similar technological requirements.

9 II.

10 MEANS AND METHODS OF THE CONSPIRACY

11 4. For the purpose of forming and carrying out the charged combination and  
12 conspiracy, the defendant and coconspirators did those things that they combined and conspired  
13 to do, including, among other things:

- 14 (a) attended meetings and engaged in conversations and communications in  
15 Taiwan, Korea, Malaysia, China, and elsewhere to discuss the prices,  
16 output, and market shares of CDTs;
- 17 (b) agreed during those meetings, conversations, and communications to  
18 charge prices of CDTs at certain target levels or ranges;
- 19 (c) agreed during those meetings, conversations, and communications to  
20 reduce output of CDTs by shutting down CDT production lines for certain  
21 periods of time;
- 22 (d) agreed during those meetings, conversations, and communications to  
23 allocate target market shares for the CDT market overall and for certain  
24 CDT customers;
- 25 (e) exchanged CDT sales, production, market share, and pricing  
26 information for the purpose of implementing, monitoring, and enforcing  
27 adherence to the agreed-upon prices, output reduction, and market share  
28 allocation;



- 1 (f) implemented an auditing system that permitted coconspirators to visit each  
2 other's production facilities to verify that CDT production lines had been  
3 shut down as agreed;
- 4 (g) authorized and approved the participation of subordinate employees in the  
5 conspiracy;
- 6 (h) issued price quotations and reduced output in accordance with the  
7 agreements reached; and
- 8 (i) took steps to conceal the conspiracy and conspiratorial contacts through  
9 various means.

10 III.

11 DEFENDANT AND COCONSPIRATORS

12 5. Defendant CHENG YUAN LIN is a resident of Taiwan, Republic of China. During  
13 the period covered by this Indictment, CHENG YUAN LIN was Chairman and Chief Executive  
14 Officer of Chunghwa Picture Tubes, Ltd. ("Chunghwa"). During the period covered by this  
15 Indictment, Chunghwa was a Taiwanese company engaged in the business of producing and  
16 selling, among other things, CDTs to customers in the United States and elsewhere.

17 6. Various corporations and individuals not made defendants in Count One of this  
18 Indictment participated as coconspirators in the offenses charged in Count One of this Indictment  
19 and performed acts and made statements in furtherance of it.

20 7. Whenever in this Indictment reference is made to any act, deed, or transaction of  
21 any corporation, the allegation means that the corporation engaged in the act, deed, or transaction  
22 by or through its officers, directors, employees, agents, or other representatives while they were  
23 actively engaged in the management, direction, control, or transaction of its business or affairs.

24 IV.

25 TRADE AND COMMERCE

26 8. CDTs are a type of cathode ray tube. Cathode ray tubes consist of evacuated glass  
27 envelopes that contain an electron gun and a phosphorescent screen. When electrons strike the  
28 screen, light is emitted, creating an image on the screen. CDTs are the specialized cathode ray

1 tubes manufactured for use in computer monitors and other products with similar technological  
2 requirements.

3 9. During the period covered by Count One of this Indictment, the defendant and  
4 coconspirators sold and distributed substantial quantities of CDTs in a continuous and  
5 uninterrupted flow of interstate and foreign trade and commerce to customers located in states or  
6 countries other than the states or countries in which the defendant and coconspirators produced  
7 CDTs. In addition, payments for CDTs traveled in interstate and foreign trade and commerce.

8 10. During the period covered by Count One of this Indictment, the business activities  
9 of the defendant and coconspirators that are the subject of Count One of this Indictment were  
10 within the flow of, and substantially affected, interstate and foreign trade and commerce.

11 V.

12 JURISDICTION AND VENUE

13 11. The combination and conspiracy charged in Count One of this Indictment was  
14 carried out, in part, in the Northern District of California, within the five years preceding the filing  
15 of this Indictment, excluding the period during which the running of the statute of limitations was  
16 suspended pursuant to agreement with defendant CHENG YUAN LIN.

17 COUNT TWO: 15 U.S.C. § 1 (Conspiracy in Restraint of Trade)

18 VI.

19 DESCRIPTION OF THE OFFENSE

20 12. CHENG YUAN LIN, a.k.a. C.Y. LIN, is hereby indicted and made a defendant on  
21 the charge stated below.

22 13. Beginning at least as early as March 12, 1997, until at least as late as April 7, 2003,  
23 the exact dates being unknown to the Grand Jury, the defendant CHENG YUAN LIN and  
24 coconspirators joined, entered into, and engaged in a combination and conspiracy to suppress and  
25 eliminate competition by fixing the prices of color picture tubes ("CPTs") to be sold in the United  
26 States and elsewhere. The combination and conspiracy engaged in by the defendant and  
27 coconspirators was in unreasonable restraint of interstate and foreign trade and commerce in  
28 violation of Section 1 of the Sherman Act (15 U.S.C. § 1).



## MEANS AND METHODS OF THE CONSPIRACY

- (a) attended meetings and engaged in conversations and communications in Taiwan, Korea, Malaysia, China, Thailand, Indonesia, and elsewhere to discuss the prices of CPTs;
- (b) agreed during those meetings, conversations, and communications to charge prices of CPTs at certain target levels or ranges;
- (c) exchanged CPT pricing information for the purpose of implementing, monitoring, and enforcing adherence to the agreed-upon prices;
- (d) authorized and approved the participation of subordinate employees in the conspiracy;
- (e) issued price quotations in accordance with the agreements reached; and
- (f) took steps to conceal the conspiracy and conspiratorial contacts through various means.

DEFENDANT AND COCONSPIRATORS

16. Defendant CHENG YUAN LIN is a resident of Taiwan, Republic of China. During the period covered by this Indictment, CHENG YUAN LIN was Chairman and Chief Executive Officer of Chunghwa. During the period covered by this Indictment, Chunghwa was a Taiwanese company engaged in the business of producing and selling, among other things, CPTs to customers in the United States and elsewhere.

17. Various corporations and individuals not made defendants in Count Two of this Indictment participated as coconspirators in the offenses charged in Count Two of this Indictment and performed acts and made statements in furtherance of it.

18. Whenever in this Indictment reference is made to any act, deed, or transaction of any corporation, the allegation means that the corporation engaged in the act, deed, or transaction by or through its officers, directors, employees, agents, or other representatives while they were actively engaged in the management, direction, control, or transaction of its business or affairs.

## IX.

## TRADE AND COMMERCE

19. CPTs are a type of cathode ray tube. Cathode ray tubes consist of evacuated glass envelopes that contain an electron gun and a phosphorescent screen. When electrons strike the screen, light is emitted, creating an image on the screen. CPTs are the specialized cathode ray tubes manufactured for use in television sets.

20. During the period covered by Count Two of this Indictment, the defendant and coconspirators sold and distributed substantial quantities of CPTs in a continuous and uninterrupted flow of interstate and foreign trade and commerce to customers located in states or countries other than the states or countries in which the defendant and coconspirators produced CPTs. In addition, payments for CPTs traveled in interstate and foreign trade and commerce.

21. During the period covered by Count Two of this Indictment, the business activities of the defendant and coconspirators that are the subject of Count Two of this Indictment were within the flow of, and substantially affected, interstate and foreign trade and commerce.

**X.**

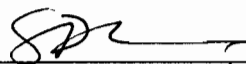
## JURISDICTION AND VENUE

22. The combination and conspiracy charged in Count Two of this Indictment was carried out, in part, in the Northern District of California, within the five years preceding the filing of this Indictment, excluding the period during which the running of the statute of limitations was suspended pursuant to agreement with defendant CHENG YUAN LIN.

ALL IN VIOLATION OF TITLE 15, UNITED STATES CODE, SECTION 1.


1 DATED: 2/10/09

A TRUE BILL

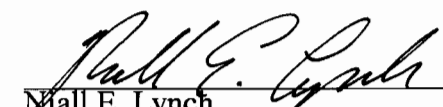
2   
3 Scott D. Hammond  
Acting Assistant Attorney General


  
FOREPERSON

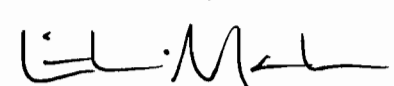
4   
5 Marc Siegel  
6 Director of Criminal Enforcement

  
Phillip H. Warren  
Chief, San Francisco Office

7 United States Department of Justice  
8 Antitrust Division

  
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